

HFP Wait List Effective July 17, 2009, Unless Additional Funding Is Found

June 29, 2009

The 18 month budget enacted for January 2009 through June 2010 left a \$15.1 million shortfall in the Healthy Families Program (HFP) budget. The Governor and Legislature have proposed additional reduction in state HFP funding. Based upon actions taken by the Budget Conference Committee of the California Legislature, the HFP shortfall will be at least \$90 million General Fund and \$270 in total funding for the coming fiscal year (July 1, 2009-June 30, 2010). At the Managed Risk Medical Insurance Board (MRMIB) meeting on June 29, 2009, staff advised the Board of that shortfall and indicated that there are insufficient funds to operate the HFP without limits on new enrollments in the coming fiscal year.

The MRMIB made a finding that sufficient funds are not available to cover the estimated costs of HFP expenditures and that it is necessary to limit enrollment in the program to ensure that expenditures do not exceed available funding. The Board has implemented an HFP Wait List effective July 17, 2009. The Board also indicated that the Executive Director should look at all options to obtain alternative funding or reduce program costs. Under the HFP regulations, the Executive Director can rescind the implementation of the wait list if sufficient funding is found to cover the estimated costs of HFP expenditures. The Board's next meeting will be July 30, 2009.

This notice will be updated to reflect any changes that occur in funding for HFP. For more information on future Board meetings and agendas, go to <http://www.mrmib.ca.gov/MRMIB/Agenda.html>.